

# MISSOURI QUALITY JOBS

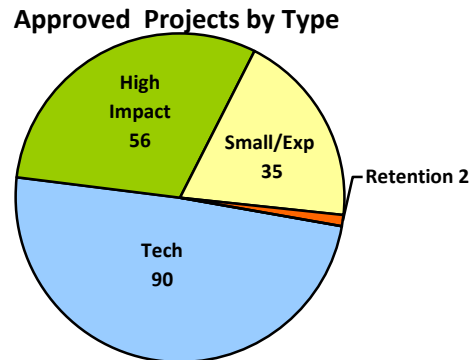


**2010 Annual Report**

# Missouri Quality Jobs Program

## Annual Report for 2010

The Missouri Quality Jobs Program was introduced and passed during the 2005 Legislative Session, and became effective on August 28, 2005. As of the end of 2010, 181 New Jobs projects (representing 151 organizations) and 2 Retention projects are approved to participate in the program. Thirty-two projects did not meet the program requirements and were removed from the list of approved projects.



### ***Program Requirements***

The Quality Jobs Program provides benefits for companies creating a minimum number of new jobs as required by each of the project types. A Notice of Intent is submitted by the company, and the Department provides an approval that starts the job creation period. Small/expanding business projects must create a minimum of twenty new jobs in rural counties or forty new jobs in non-rural counties within two years. Technology business projects, determined by the NAICS code assigned for the business activity at the facility, must create ten or more new jobs within two years. High impact projects must create at least one hundred new jobs, the first new job within one year of approval and at least an additional ninety-nine new jobs within two years of hiring of the first new job. Program eligibility requirements for new jobs include an average wage of at least the county average wage (or state average wage if the county average is higher than the state average), the employee must work an average of thirty-five hours a week at the project facility during the year and the employer must offer health insurance to the employee, paying at least fifty percent of the premium.

The Small Business Job Retention and Flood Survivor Relief portion of the Quality Jobs Program offered a benefit to companies of less than 100 employees that did not receive any other flood relief. To qualify, the primary site must be located in an area affected by flooding above the five hundred year flood plain, all of the company's facilities must be located in Missouri, the average wage must be at least the county average wage, and the company must invest a minimum of \$2 million in capital improvements and equipment at the facility. August 30, 2010 was the last date that projects could be approved using this portion of the program. No projects are currently active in this portion of the program.

For consideration under the Retention portion of the Quality Jobs Program, companies must have been considered to have a significant statewide effect on the economy, have been determined to represent a substantial risk of relocation from the state and must have employed a minimum of one thousand full-time employees for the previous two years with the average wage at or exceeding the county average wage. Additional requirements are that the company must provide

new investment of at least \$70 million within two years or invest at least \$30 million within two years and maintain a payroll of at least \$70 million each year a tax credit is claimed. To be eligible, local incentives must be at least fifty percent of the new local revenue generated for ten years. August 30, 2013 is the last date Retention projects may be approved through the Quality Jobs Program.

### ***Location***

Missouri Quality Jobs projects creating new jobs have been approved statewide during the program's existence, including 121 projects in non-rural areas and 60 projects in rural areas. A "rural area" is defined in Section 620.1878(27) as "a county in Missouri with a population less than seventy-five thousand or that does not contain an individual city with a population greater than fifty thousand according to the most recent federal decennial census."

### ***Annual Benefit***

Benefits for the Missouri Quality Jobs Program may be in two forms, retained withholdings and/or tax credits, depending on the project type.

- Small/expanding business projects may retain the state withholding tax of new jobs for three years if the average wage of the new jobs equals one hundred to one hundred nineteen percent of the county average wage or five years if the average wage of the new jobs is one hundred twenty percent or more of the county average wage.
- Technology projects receive a base benefit of five percent of the new payroll for five years. An Average Wage Bonus (see below) may be added if requirements are met. If the withholdings are less than the total benefit, the balance is issued to the company in the form of a sellable/refundable state tax credit.
- High Impact projects receive a base benefit of three percent of the new payroll for five years. An Average Wage Bonus and Local Incentives Bonus (see below) may be added if requirements are met. If the withholdings are less than the total benefit, the balance is issued to the company in the form of a sellable/refundable state tax credit.

Average Wage Bonus – Bonus based on percentage of new job average wage to county average wage.

- Greater than 120% and up to 140% - company receives additional ½ % of the payroll of new jobs
- Greater than 140% – company receives additional 1% of the payroll of new jobs

Local Incentives Bonus – Bonus based on the local incentives provided to the project as a percentage of new local tax revenue generated from the project, over ten years.

- 10-24% - company receives additional 1% of the payroll of new jobs
- 25-49% - company receives additional 2% of the payroll of new jobs
- 50% or more – company receives additional 3% of the payroll of new jobs

### ***Net State Fiscal Impact***

The Missouri Economic Research Center has estimated the economic impact of the Missouri Quality Jobs Program using the REMI Missouri Regional Economic Model. Key findings for program impact include:

Over 15 years, every dollar of investment in the Missouri Quality Jobs program returns:

- \$6.24 in new general revenues for the State of Missouri, totaling \$1.56 billion over 15 years
- \$42.72 in new personal income for Missourians, totaling \$42.465 billion over 15 years
- \$277.31 in new value added to the state economy, totaling \$82.51 billion over 15 years
- \$473.93 in new economic activity in Missouri, totaling \$141.009 billion over 15 years

The Research Brief for projects active in 2010 is provided as part of the annual report for this program.



**Missouri Quality Jobs --- Job Creation Projects Approved in Calendar Year 2010**

NOI Approvals	Location	County	NOI Approval Date	Anticipated New Jobs - Cumulative Year 5	Anticipated Investment - Cumulative Year 5	Projected Average Starting Wage	Withholding by Company	Tax Credits by Company	Total Benefits
3M Company	Columbia	Boone	10/25/2010	120	\$23,958,500	\$44,658	\$664,512	\$621,640	\$1,286,152
Akermin, Inc.	St. Louis	St. Louis	2/18/2010	35	Not projected	\$70,000	\$300,597	\$245,943	\$546,540
ALPLA, Inc.	St. Peters	St. Charles	3/27/2010	56	\$15,400,000	\$37,500	\$166,080	\$0	\$166,080
Antibody Research Corporation	St. Peters	St. Charles	8/20/2010	28	\$100,000	\$40,000	\$148,490	\$91,010	\$239,500
Beumer Corporation	Kansas City	Jackson	11/9/2010	20	Not projected	\$90,000	\$353,588	\$219,798	\$573,386
Canam Steel Corporation	Washington	Franklin	9/20/2010	60	\$1,000,000	\$31,105	\$104,857	\$0	\$104,857
Clark, Richardson & Biskup Consulting Engineers, Inc.	St. Louis	St. Louis	12/1/2010	20	\$300,000	\$75,000	\$252,302	\$156,836	\$409,138
Clark, Richardson & Biskup Consulting Engineers, Inc.	Kansas City	Platte	12/1/2010	20	\$300,000	\$75,000	\$252,302	\$156,836	\$409,138
Contegix, LLC	St. Louis	St. Louis City	11/5/2010	88	\$20,000,000	\$75,200	\$941,280	\$585,121	\$1,526,401
Dynalabs LLC	St. Louis	St. Louis City	3/30/2010	22	\$4,502,315	\$44,826	\$138,719	\$100,452	\$239,171
Environmental Works Inc.	Kansas City	Jackson	9/30/2010	55	\$450,000	\$64,000	\$444,258	\$274,394	\$718,652
ESI Mail Pharmacy Service, Inc.	St. Louis	St. Louis	1/29/2010	269	\$65,000,000	\$45,000	\$753,348	\$2,363,953	\$3,117,301
Freeman Surgical Center	Joplin	Jasper	7/28/2010	45	\$5,250,000	\$49,000	\$298,410	\$0	\$298,410
Henniges Automotive Sealing System N America, Inc.	New Haven	Franklin	12/20/2010	100	Not projected	\$31,105	\$419,920	\$46,660	\$466,580
Hometown Holding Group LLC	Cape Girardeau	Cape Girardeau	7/23/2010	113	\$8,080,100	\$56,377	\$304,401	\$1,048,494	\$1,352,895
Hotels.com, LP	Springfield	Greene	4/2/2010	525	\$5,800,000	\$35,000	\$0	\$5,590,831	\$5,590,831
International Business Machines Inc.	Columbia	Boone	9/13/2010	200	\$14,400,000	\$60,000	\$0	\$4,459,000	\$4,459,000
Jet Midwest, Inc.	Kansas City	Platte	4/15/2010	500	\$10,000,000	\$54,000	\$0	\$6,850,052	\$6,850,052
KE2 Therm Solutions	Washington	Franklin	3/25/2010	50	\$2,500,000	\$95,000	\$775,200	\$592,800	\$1,368,000
Kiewitt Western	Lee's Summit	Jackson	1/6/2010	40	\$250,000	\$85,020	\$578,135	\$0	\$578,135
Landshire, Inc.	St. Louis	St. Louis	5/18/2010	48	\$174,000	\$52,000	\$219,294	\$0	\$219,294
Liberty Mutual Insurance Company	Fenton	St. Louis	7/28/2010	100	\$2,900,000	\$52,000	\$0	\$1,560,000	\$1,560,000
Lockton Companies, LLC	Kansas City	Jackson	9/13/2010	60	\$5,170,432	\$92,517	\$952,027	\$0	\$952,027
Mamtek US Inc.	Moberly	Randolph	9/3/2010	161	\$168,000,000	\$35,797	\$1,228,416	\$760,470	\$1,988,886
Midwest Research Institute	Kansas City	Jackson	5/20/2010	380	\$12,000,000	\$47,312	\$1,649,449	\$1,194,430	\$2,843,879
Newton Coffee Company	Marceline	Linn	11/30/2010	320	Not projected	\$41,600	\$1,201,908	\$0	\$1,201,908
Onshore Technology Services	Lebanon	Laclede	6/16/2010	12	\$20,000	\$35,000	\$52,920	\$54,880	\$107,800
Onshore Technology Services	St. Louis	St. Louis	7/27/2010	20	\$25,000	\$25,000	\$93,960	\$68,040	\$162,000
Onshore Technology Services	Joplin	Jasper	7/27/2010	30	\$25,000	\$35,000	\$94,500	\$80,500	\$175,000
Panera, LLC	Sunset Hills	St. Louis	6/8/2010	209	\$2,600,000	\$53,750	\$1,374,656	\$1,285,969	\$2,660,625
Partek Incorporated	Chesterfield	St. Louis	2/18/2010	22	\$66,000	\$55,000	\$151,126	\$92,626	\$243,752
Pharmacy Services, Inc.	St. Louis	St. Louis	11/8/2010	70	\$1,300,000	\$55,000	\$486,200	\$228,800	\$715,000
Phycal, LLC	Creve Coeur	St. Louis	3/26/2010	12	\$1,700,000	\$66,983	\$120,437	\$93,240	\$213,677
Sabreliner Corporation	Perryville	Perry	4/30/2010	421	\$6,000,000	\$40,169	\$0	\$2,205,171	\$2,205,171
Safetran Systems Corp	Lee's Summit	Jackson	2/19/2010	15	\$180,000	\$75,000	\$185,625	\$151,875	\$337,500
SAK Construction, LLC	O'Fallon	St. Charles	4/2/2010	44	\$5,000,000	\$57,659	\$417,548	\$0	\$417,548
Sigma-Aldrich Biotechnology LP	St. Louis	St. Louis City	4/22/2010	125	\$2,995,200	\$67,684	\$1,160,309	\$898,302	\$2,058,611
Space LLC	St. Louis	St. Louis City	6/24/2010	20	\$0	\$67,000	\$177,320	\$137,280	\$314,600
Spartech Research and Development LLC	Maryland Heights	St. Louis	4/2/2010	50	\$4,000,000	\$89,000	\$590,070	\$451,230	\$1,041,300
State Street (NOI #4)	Kansas City	Jackson	8/10/2010	562	Not projected	\$40,168	\$3,044,188	\$3,254,133	\$6,298,321
StoreFinancial Services, LLC	Kansas City	Jackson	6/24/2010	140	\$7,750,000	\$61,984	\$1,203,316	\$155,267	\$1,358,583
TechGuard Security	Chesterfield	St. Louis	10/20/2010	25	\$500,000	\$75,000	\$268,250	\$166,750	\$435,000
TG Missouri Corporation	Perryville	Perry	10/28/2010	40	\$71,900,000	\$34,569	\$91,288	\$0	\$91,288
The Jones Financial Companies, LLLP	Des Peres	St. Louis	9/3/2010	500	\$0	\$52,000	\$2,786,978	\$2,280,256	\$5,067,234
Ultrax Aerospace, Inc.	Lee's Summit	Jackson	2/25/2010	19	\$75,000	\$76,960	\$190,476	\$155,844	\$346,320
Unisys	St. Louis	St. Louis City	7/25/2010	300	\$0	\$55,000	\$0	\$3,478,045	\$3,478,045
Unisys	Kansas City	Jackson	10/8/2010	30	\$0	\$55,000	\$208,250	\$128,626	\$336,876
Valent Aerostructures, LLC	Washington	Franklin	9/7/2010	100	\$3,000,000	\$76,960	\$998,094	\$816,622	\$1,814,716
ViraCor-IBT Laboratories, Inc.	Kansas City	Jackson	1/20/2010	15	\$2,200,000	\$60,000	\$139,500	\$108,000	\$247,500
WillCo Technologies, Inc.	Kansas City	Jackson	7/29/2010	10	\$100,000	\$50,000	\$82,500	\$42,500	\$125,000
<b>Total</b>				<b>6,226</b>	<b>\$474,971,547</b>		<b>\$26,065,004</b>	<b>\$43,252,676</b>	<b>\$69,317,680</b>

Quality Jobs Program  
Project Benefits through December 31, 2010

High Impact Projects									
Requestor	Location	County	Total Program Benefit	Actual Tax Credit	Actual Retained Withholdings	Actual New Jobs	Anticipated Retained WH (over 5 years)	Anticipated Tax Credit (over 5 years)	Anticipated New Jobs (over 5 years)
BROWN SHOE COMPANY, INC.	SAINT LOUIS	ST. LOUIS	737,148.25	737,148.25	0.00	177	0.00	2,893,667.00	100
BROWN SHOE COMPANY, INC.	SAINT LOUIS	ST. LOUIS	341,961.72	341,961.72	0.00	130	0.00	6,545,486.09	492
CAPITAL ELECTRIC, INC.	KANSAS CITY	JACKSON	50,351.00	0.00	50,351.00	thresholds not maintained - not currently receiving benefits	8,254,755.50	4,032,114.00	901
CENTENE CORPORATION	SAINT LOUIS	ST. LOUIS	3,010,818.33	789,472.30	2,221,346.03	302	4,732,574.00	3,834,426.23	480
EXPRESS SCRIPTS, INC.	SAINT LOUIS	ST. LOUIS	11,914,190.01	2,146,926.23	9,767,263.78	532	2,690,408.00	2,399,551.00	100
FURNITURE BRANDS INTERNATIONAL, INC.	SAINT LOUIS	ST. LOUIS	351,457.16	23,829.16	327,628.00	140	0.00	4,329,427.00	224
HOLCIM (US) INC.	BLOOMSDALE	STE. GENEVIEVE	392,562.68	392,562.68	0.00	73	0.00	2,140,404.66	150
INNOVATIVE RESOURCE GROUP, LLC	EARTH CITY	ST. LOUIS	57,858.00	0.00	57,858.00	thresholds not maintained - not currently receiving benefits	2,173,720.17	950,792.00	150
ISLE OF CAPRI CASINOS, INC.	SAINT LOUIS	ST. LOUIS	3,814,644.47	689,311.49	3,125,332.98	103	8,109,262.17	5,833,333.34	500
KERRRY, INC.	SAINT LOUIS	ST. LOUIS	73,797.00	0.00	73,797.00	168	0.00	1,974,529.00	193
MONSANTO COMPANY	SAINT LOUIS	ST. LOUIS	2,965,046.41	274,813.41	2,690,233.00	664	0.00	3,152,866.00	207
ORGLIL, INC.	SEKSTON	SCOTT	64,752.37	64,752.37	0.00	193	0.00	475,141.00	457
PROENERGY SERVICES, LLC	SEDALIA	PETTIS	169,496.99	169,496.99	0.00	107	0.00	319,500.00	170
PROGRESS WEST HEALTHCARE CENTER	O FALLON	ST. CHARLES	1,367,626.27	107,254.27	1,260,372.00	204	2,296,515.00	674,526.00	110
SAINT LUKE'S EAST HOSPITAL	LEES SUMMIT	JACKSON	1,782,260.24	4,068.24	1,778,192.00	361	1,100,500.00	4,241,623.00	283
SCHREIBER FOODS	CARTHAGE	JASPER	127,669.00	0.00	127,669.00	152	551,885.00	1,007,596.00	143
SMURFIT-STONE CONTAINER ENTERPRISES, INC.	SAINT LOUIS	ST. LOUIS	2,785,016.40	658,875.40	2,126,141.00	270	3,404,862.00	1,593,478.00	180
STATE STREET BANK	KANSAS CITY	JACKSON	1,012,428.43	376,659.43	635,769.00	143	787,269.00	3,937,500.00	800
STATE STREET BANK	KANSAS CITY	JACKSON	583,190.04	195,241.04	387,949.00	180	1,155,515.00	128,861.16	800
THE JONES FINANCIAL COMPANIES	SAINT LOUIS	ST. LOUIS	1,489,751.85	406,246.85	1,083,505.00	387	6,448,160.73		
THE JONES FINANCIAL COMPANIES	MARYLAND HEIGHTS	ST. LOUIS	969,686.16	128,861.16	840,825.00	203	6,824,985.50		
Subtotal - High Impact Project benefits			34,061,712.78	7,507,480.99	26,554,231.79	4,489	\$ 49,308,353.07	\$ 50,464,821.48	6,440
Small/Expanding Projects									
Requestor	Location	County	Total Program Benefit	Actual Tax Credit	Actual Retained Withholdings	Actual New Jobs	Anticipated Retained WH (over 5 years)	Anticipated Tax Credit (over 5 years)	Anticipated New Jobs (over 5 years)
ENERSYS, INC.(HAWKER ENERGY)	WARRENSBURG	JOHNSON	155,518.16	155,518.16	0.00	154	0.00	298,062.54	50
1914 HOLDING COMPANY / HNTB	KANSAS CITY	JACKSON	1,357,033.00	0	1,357,033.00	186	1,500,159.67	0.00	200
BELL VENTURES	ANDERSON	MCDONALD	24,066.48	0	24,066.48	25	65,550.00	0.00	45
KEMCO TOOL AND MACHINE COMPANY, INC. FKA AMALGAMATED INDUSTRIES,	SAINT LOUIS	ST. LOUIS	295,740.67	0	295,740.67	74	654,260.00	0.00	100
KIEWIT WESTERN	LEES SUMMIT	JACKSON	310,305.00	0	310,305.00	50	511,400.67	391,070.84	35
NEW WAVE COMMUNICATIONS (TELECOMMUNICATIONS MGT)	SIKESTON	SCOTT	242,412.00	0	242,412.00	103	404,550.00	0.00	66
PATRIOT COAL CORPORATION	SAINT LOUIS	ST. LOUIS	1,660,462.63	0	1,660,462.63	77	854,107.00	0.00	65
PRAIRIE PRIDE	NEVADA	VERNON	137,871.74	0	137,871.74	46	156,725.00	0.00	40
REHABCARE GROUP, INC.	SAINT LOUIS	ST. LOUIS	583,276.00	0	583,276.00	41	343,275.00	0.00	130
THE COCA-COLA COMPANY (FKA TRUESDALE PACKAGING CO)	WARRENTON	WARREN	75,639.00	0	75,639.00	51	286,334.00	0.00	60
Subtotal - Small/Expanding Project benefits			\$4,842,324.68	\$155,518.16	\$4,686,806.52	807	4,843,095.67	298,062.54	796
Technology Projects									
Requestor	Location	County	Total Program Benefit	Actual Tax Credit	Actual Retained Withholdings	Actual New Jobs	Anticipated Retained WH (over 5 years)	Anticipated Tax Credit (over 5 years)	Anticipated New Jobs (over 5 years)
ABC LABS (ANALYTICAL BIO-CHEMISTRY LABORATORIES, INC.)	COLUMBIA	BOONE	724,573.47	147,219.11	577,354.36	106	511,599.17	502,338.48	106
ABC LABS (ANALYTICAL BIO-CHEMISTRY LABORATORIES, INC.)	COLUMBIA	BOONE	2,150.00	0.00	2,150.00	11	480,600.00	498,400.00	140
APPLIED FOOD BIOTECHNOLOGY, INC. (AFB INTERNATIONAL)	SAINT CHARLES	ST. CHARLES	162,141.11	29,130.11	133,011.00	23	409,955.84	379,346.13	43
BOEHRINGER INGELHEIM VETMEDICA, INC	ST. JOSEPH	ANDREW	232,734.00	0.00	232,734.00	85	932,173.00	872,033.00	124
BURNS & MCDONNELL ENGINEERING	SAINT LOUIS	ST. LOUIS	169,456.39	46,384.39	123,072.00	28	280,860.00	249,424.39	50
CARBOLYTIC MATERIALS COMPANY, LLC	MARYVILLE	NODAWAY	22,408.00	0.00	22,408.00	19	127,890.00	136,710.00	19
CARFAX, INC.	COLUMBIA	BOONE	264,094.58	159,894.58	104,200.00	56	204,292.00	381,339.85	38
CET, LLC (FKA: CLEAN EARTH TECHNOLOGIES, LLC)	EARTH CITY	ST. LOUIS	76,341.26	10,071.34	66,269.92	10	235,935.00	220,713.00	30
DECAMACHINE AND TOOL, LLC	DUTZOW	WARREN	86,122.43	4,896.43	81,226.00	24	223,529.00	302,547.00	70
DEWAY FINANCIAL, LLC	KANSAS CITY	JACKSON	124,990.18	24,187.18	100,803.00	13	511,400.67	391,070.84	35
DUCK CREEK TECHNOLOGIES, INC.	BOLIVAR	POLK	880,574.71	335,771.17	544,803.54	84	437,900.83	471,502.59	65
GKN AEROSPACE NORTH AMERICA, INC.	HAZELWOOD	ST. LOUIS	748,678.94	748,678.94	0.00	187	0.00	1,389,149.94	120
HARMAN BECKER AUTOMOTIVE SYSTEMS, INC (HBAS)	WASHINGTON	FRANKLIN	561,832.85	561,832.85	0.00	221	0.00	1,914,085.85	221
HARMAN BECKER AUTOMOTIVE SYSTEMS, INC (HBAS)	WASHINGTON	FRANKLIN	39,584.30	39,584.30	0.00	55	0.00	593,851.00	129
KV PHARMACEUTICAL COMPANY	BRIDGETON	ST. LOUIS	764,804.79	141,602.23	623,202.56	thresholds not maintained - not currently receiving benefits			
KV PHARMACEUTICAL COMPANY	EARTH CITY	ST. LOUIS	35,896.91	11,490.91	24,406.00	thresholds not maintained - not currently receiving benefits			
KV PHARMACEUTICAL COMPANY	MARYLAND HEIGHTS	ST. LOUIS	48,092.54	2,832.54	45,260.00	thresholds not maintained - not currently receiving benefits			
KV PHARMACEUTICAL COMPANY	SAINT LOUIS	ST. LOUIS	360,211.51	65,403.21	294,808.30	thresholds not maintained - not currently receiving benefits			
MASTERCARD INTERNATIONAL LLC	O FALLON	ST. CHARLES	820,099.46	241,042.11	579,057.35	119	2,522,113.50	1,928,675.25	123
MCALLISTER SOFTWARE SYSTEMS INC.	PIEDMONT	WAYNE	64,033.00	0.00	64,033.00	19	125,586.00	174,728.00	64
MIDWEST DATA CENTER, INC.	ROCK PORT	ATCHISON	62,910.98	24,331.98	38,579.00	18	49,753.00	73,651.98	22
NETLABS, LLC	SAINT LOUIS	ST. LOUIS CITY	219,452.07	80,661.07	138,791.00	26	226,765.00	230,777.13	30
NOSTRUM LABORATORIES, INC.	KANSAS CITY	JACKSON	119,550.31	40,167.31	79,383.00	thresholds not maintained - not currently receiving benefits			
ONSHORE TECHNOLOGY SERVICES	MACON	MACON	43,501.37	8,729.37	34,772.00	14	1,286,875.00	1,527,830.00	453
PAUL MUELLER COMPANY INC	SPRINGFIELD	GREENE	457,836.77	188,278.77	269,558.00	thresholds not maintained - not currently receiving benefits			
POPULOUS, INC FKA HOI SPORT, INC.	KANSAS CITY	JACKSON	831,281.16	235,756.24	595,524.94	13	222,333.34	238,008.18	40
SAVVIS COMMUNICATIONS INC	CHESTERFIELD	ST. LOUIS	1,222,078.96	203,289.10	1,018,809.86	72	2,314,044.50	1,796,185.94	290
SEVENTH WAVE LABORATORIES, LLC	CHESTERFIELD	ST. LOUIS	245,744.55	62,593.55	183,151.00	8	199,950.00	198,893.55	30
STEELVILLE MANUFACTURING CO.	STEELVILLE	CRAWFORD	38,146.01	5,601.01	32,545.00	22	103,976.00	122,058.00	40
STOWERS INSTITUTE FOR MEDICAL RESEARCH	KANSAS CITY	JACKSON	109,502.91	31,178.91	78,324.00	11	433,280.25	369,087.75	80
TELAMON CORPORATION	FENTON	ST. LOUIS	3,680.00	0.00	3,680.00	10	158,283.00	114,619.00	10
TETRA TECH	KANSAS CITY	JACKSON	242,866.45	102,389.07	140,477.38	47	851,598.00	796,655.50	88
THE NEWBERRY GROUP, INC.	SAINT CHARLES	ST. CHARLES	145,948.56	65,775.21	80,173.35	12	217,500.00	252,776.00	50
UNGERBOECK SYSTEMS INTERNATIONAL, INC.	O FALLON	ST. CHARLES	211,963.17	44,719.17	167,244.00	35	221,548.00	205,975.70	30
WILBROS ENGINEERS, INC.	KANSAS CITY	JACKSON	337,486.71	65,401.38	272,085.33	28	485,953.00	468,658.00	65
WORLD WIDE TECHNOLOGY HOLDING COMPANY, INC.	SAINT LOUIS	ST. LOUIS	149,803.24	56,698.24	93,105.00	12	173,833.00	146,048.90	28
WORLD WIDE TECHNOLOGY HOLDING COMPANY, INC.	MARYLAND HEIGHTS	ST. LOUIS	603,530.99	350,045.99	253,485.00	71	456,286.00	537,847.27	90
Subtotal - Technology Project benefits			\$11,234,104.64	\$4,135,659.75	\$ 7,098,444.89	1,459	\$ 14,415,813.10	\$ 17,484,988.27	2,723
Total - New Jobs Projects			\$ 50,138,142.10	\$11,798,658.90	\$ 38,339,483.20	6,755	\$ 68,567,261.84	\$ 68,247,872.29	9,959

Retention Projects						
Requestor	Location	County	Total Program Benefit to date	Actual Tax Credit	Actual Retained Jobs	Anticipated Tax Credit (over 5 years)
EXPRESS SCRIPTS, INC.	SAINT LOUIS	ST. LOUIS	3,000,000.00	3,000,000.00	1,034	5,000,000.00
Total - Retention Project benefits				\$3,000,000.00	1,034	\$ 5,000,000.00

## **ECONOMIC IMPACT OF THE MISSOURI QUALITY JOBS PROGRAM 2005 - 2010 PROJECTS**

---

The Missouri Quality Jobs Program targets three economic areas that are most important to Missouri's future - small and expanding businesses, advanced technology companies, and high impact projects. The difference between the Quality Jobs Program and other incentives is that the employer must produce jobs to receive state benefits and the more jobs, the greater the benefit.

Qualifying businesses are required to create a minimum number of new jobs at competitive wage levels, offer health insurance to these new employees and pay at least half of the health insurance premiums for these individuals. For example, small and expanding businesses must produce more than 20 new jobs in a rural area and 40 new jobs in a non-rural area, technology businesses must produce 10 or more new jobs, and high impact businesses must produce 100 or more new jobs - all within two years. In return, qualifying employers will keep a percentage of the state withholding taxes normally paid to the state for these new employees for a set number of years. The amount of the benefit is based on the wage paid relative to the county average wage where the employer is located. Through this approach, DED ensures that taxpayer dollars only go to businesses that create new jobs in Missouri. No projects may be approved for the retention portion of the Quality Jobs program after August 30, 2013. Prior to this date, a company considering leaving Missouri and employing at least 1,000 full-time, year round people at competitive wages and that has provided health insurance for the two years prior can qualify for a tax credit to remain in Missouri.

### **MQJP KEY FINDINGS**

With proposals submitted to DED to date, the MQJP is projected to directly generate \$3.86 billion in new investment and create 25,381 new jobs with health benefits paying an average wage of \$57,287 per year.

At full operation in 2020, the MQJP is projected to create roughly 59,219 direct and spin-off jobs in Missouri. This translates into an employment multiplier of 2.3 jobs for every new direct job, and 199 new jobs per \$1 million dollars of MQJP tax credits and incentives.

*Over 15 years, every dollar in MQJP credits and incentives is projected to return:*

- \$6.24 in new general revenues for the State of Missouri, totaling \$1.56 billion over 15 years.
- \$142.72 in new personal income for Missourians, totaling \$42.465 billion over 15 years.
- \$277.31 in new value-added to the state economy, totaling \$82.51 billion over 15 years.
- \$473.93 in new economic activity in Missouri, totaling \$141.009 billion over 15 years.

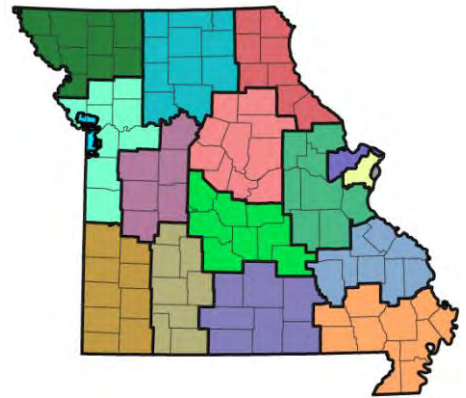
### **Missouri Quality Jobs Program Activity thru 2010 Calendar Year**

As of December 31, 2010, DED has approved Notices of Intent for 181 active Small/Expanding, Technology and High Impact projects and 2 active Retention projects from businesses to participate in the Quality Jobs Program. Most of these businesses are engaged in professional, technical, and scientific services, information technology, corporate headquarters, banking, insurance, health care, and advanced manufacturing. The anticipated direct impact of these businesses is projected to generate \$3.86 billion in new investment, and create 25,381 new jobs with health benefits paying an average wage of \$57,287 per year in Missouri. Incentives for this program are projected to cost the state \$304.5 million in general revenue. Other benefits not included in this analysis are the estimated retention of more than 3,637 jobs with health benefits. The stated impacts are likely higher due to these net new economic benefits, but we are unable to determine the extent of their impact.



## **ESTIMATED ECONOMIC IMPACT**

The economic impact of the Missouri Quality Jobs Program is estimated using the REMI Missouri Regional Economic Model, which has been customized for the state's 17 economic regions. The forecasting and policy analysis system includes key econometric estimates and integrates inter-industry transactions, long run equilibrium features, and the new economic geography. It includes: substitution among factors of production in response to changes in relative factor costs; migration responses to changes in expected income; labor participation rate responses to changes in real wage and employment conditions; wage rate responses to labor market changes; consumer consumption responses to changes in real disposable income and commodity prices; and local, regional, and market shares responses to changes in regional production costs and agglomeration economics.



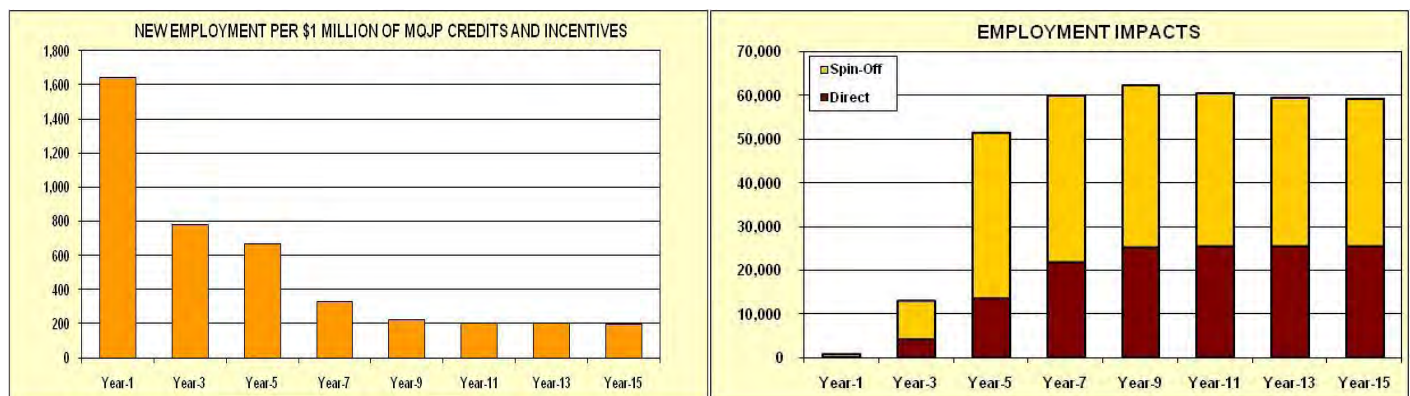
The purpose of the economic impact analysis presented in this report is to provide a forecast of economic benefits and fiscal returns over a fifteen year period. Initially, when this program began, the primary source of data used in the model came from companies' notices of intent, simply because that was the only source of information available at the time. As the program has matured, company information has been verified and earlier years' projections of jobs have been replaced with actual verified jobs data. At the date of this report, three full years of projects (2006-2008) have been verified by DED staff. In year three of the program, the return on investment to general revenue from verified projects through 2008 was \$3.29 for every dollar of MQJ credits issued. With sustained employment from all currently verified projects over a fifteen year period, the return on investment is estimated to be \$5.78.

In order to analyze the activity of the entire program occurring through 2010, it is necessary to use source data from a mixture of actual verified company information and anticipated company information provided in the notices of intent. The economic and fiscal benefits provided in this report are reflective of the available actual and anticipated information at hand.

## **Economic Benefits based on MQJ Projects thru Calendar Year 2010**

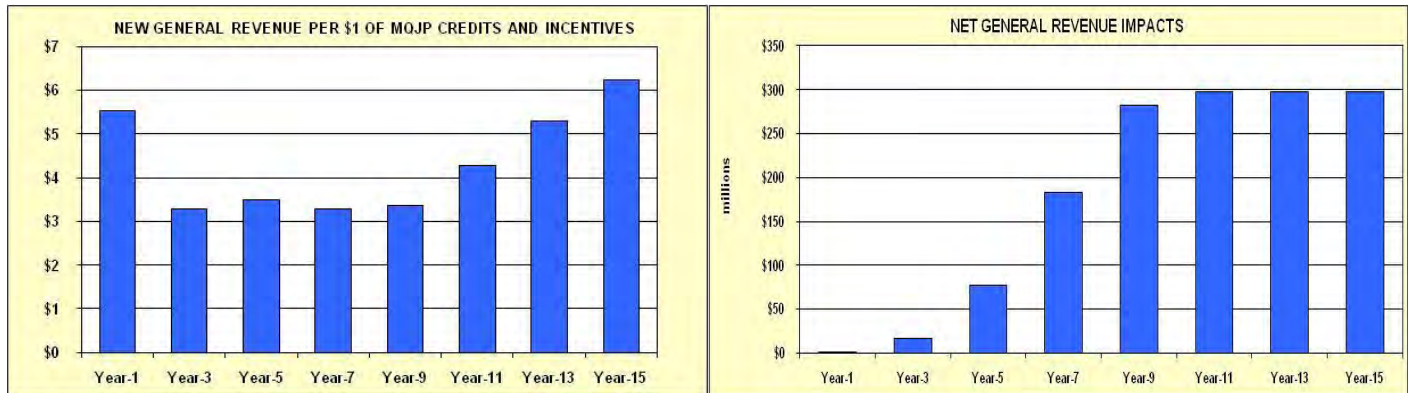
### **Employment**

At full operation in 2020, every one million dollars of state tax credits and incentives invested in the Quality Jobs Program is projected to create nearly 199 direct and indirect jobs in Missouri. Given current projects to date, by 2020 the program is projected to create roughly 59,219 direct and indirect jobs in Missouri paying an average wage of \$50,318 per job.



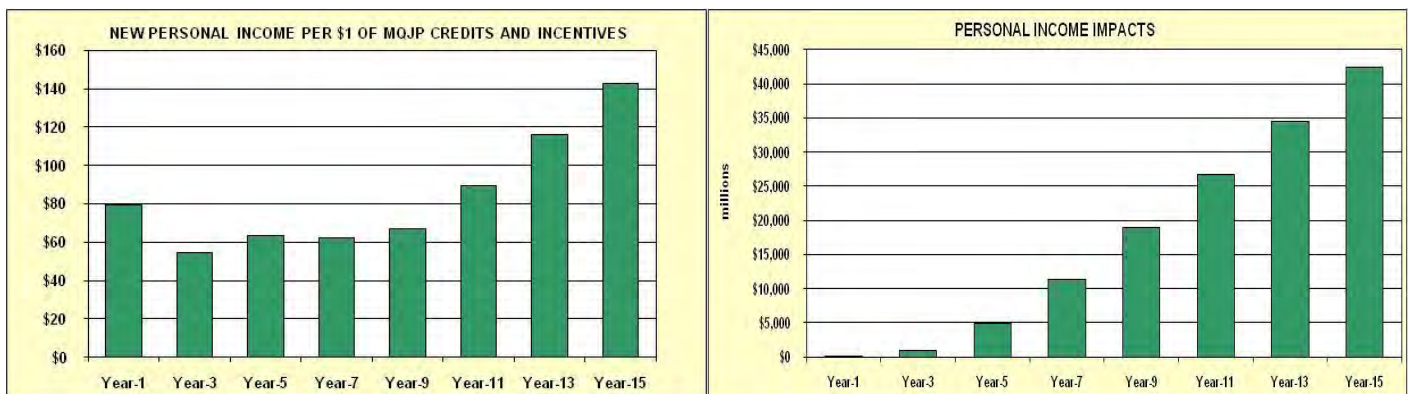
## General Revenues

Over 15 years, every dollar of state tax credits and incentives invested in the Quality Jobs Program is projected to return \$6.24 in general revenue taxes to the State of Missouri. Given current projects to date, this is projected to generate \$1.56 billion in new cumulative net state general revenues over 15 years, which averages to \$103.96 million in new general revenues annually.



## Personal Income

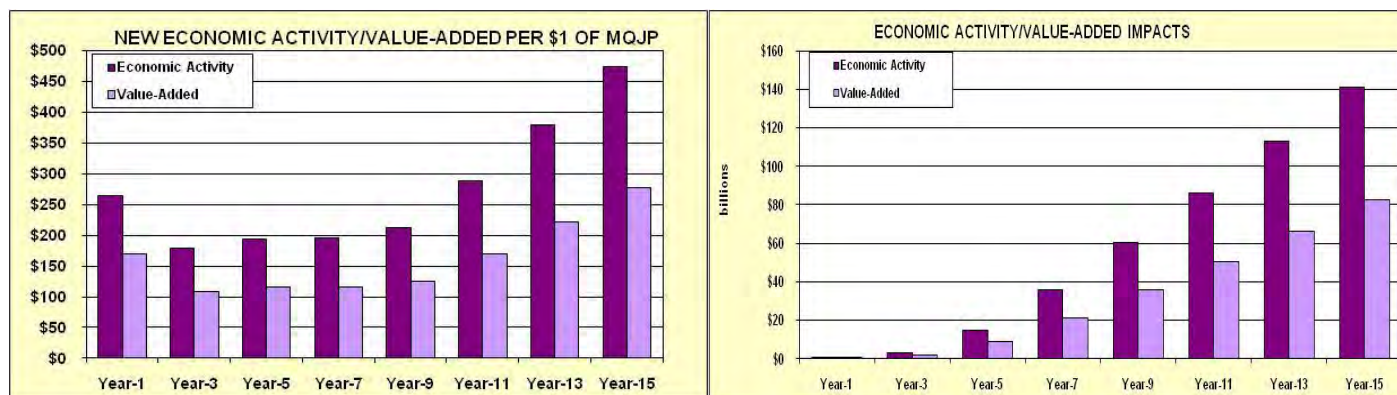
Over 15 years, every dollar of state tax credits and incentives invested in the Quality Jobs Program is projected to return \$142.72 in personal income to Missourians. Given current projects to date, this is projected to generate \$42.47 billion in new cumulative personal income over 15 years, which averages to \$2.83 billion in new personal income annually.



## Economic Activity and Value-Added

Over 15 years, every dollar of state tax credits and incentives invested in the Quality Jobs Program is projected to return \$473.93 in new economic activity to the state's economy. Given current projects to date, this is projected to generate \$141 billion in new economic activity over 15 years, which averages to \$9.4 billion in new economic activity annually.

Another measure of economic activity is the value-added to intermediate goods and services. Value-added is equal to total economic activity excluding goods and services used as inputs in the production process. Value-added is used to pay compensation, taxes, capital, and profits. Using this measure, every dollar of state tax credits and incentives invested in the Quality Jobs Program is projected to return \$277.31 in new value-added to the state's economy. Given current projects to date, this is projected to generate \$82.51 billion in new value-added over 15 years, which averages to \$5.5 billion in value-added annually.



*All projections of the future state of Missouri's economy carry with them some degree of uncertainty given unforeseen circumstances, changing business plans, and fluctuating business cycles. The modeling scenario in this analysis assumes that companies taking advantage of MQJ implement their corporate investment and expansion plans as set forth in their Notices of Intent.*

MISSOURI ECONOMIC RESEARCH AND INFORMATION CENTER  
MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT  
Providing value-added research with a customer focus.  
Making Missouri the best place to live, work, vacation and conduct business.



*For more information*

**[www.MissouriEconomy.org](http://www.MissouriEconomy.org)**

580 Harry S Truman Building  
PO Box 3150  
Jefferson City, MO 65102-3150  
PHONE 573-751-3595 • FAX 573-751-8385